

For discussion on
18 May 1999

**Panel on Administration of Justice and Legal Services of
The Legislative Council**

Small Claims Tribunal (Amendment) Bill 1999

Purpose

This note sets out our response to the issues raised by Members concerning the implementation of the proposals in the Small Claims Tribunal (Amendment) Bill and the financial jurisdictional limits of the District Court.

Background

2. At the House Committee meeting on 23 April 1999, Members considered the Small Claims Tribunal (Amendment) Bill 1999 and would like the Administration to clarify the following -

- (a) manpower arrangement to handle the additional workload in the Small Claims Tribunal (“the Tribunal”) resulting from the increase in financial jurisdictional limit from \$15,000 to \$50,000;
- (b) measures to resolve the issue of potential longer waiting time for litigants; and
- (c) present position regarding the proposal to increase the financial jurisdictional limits of the District Court.

Manpower arrangement

3. Members may recall that at the January Panel meeting, we presented our original proposal to increase the limit to \$35,000. In an effort to further lower litigation costs for the public and having re-examined the capacity of and resources available at the Tribunal, we revised the proposal to \$50,000. We estimate that about 10,000 cases per year will flow from the District Court to the Small Claims Tribunal as a result of the newly proposed financial jurisdictional limit of the latter. This is about 3,000 cases more than the previous estimate for the proposed limit of \$35,000.

4. Resources have been reserved for the Judiciary to create additional posts of an Adjudicator and necessary support staff in anticipation of the increase in jurisdictional limit. Furthermore, with the enactment of the Small Claims Tribunal (Amendment) Ordinance, the Adjudicator will be empowered to direct a party to comply with his order within a specified period of time, failing which the claim may be dismissed, struck out, stayed, or judgment entered. This should deter parties from wilfully wasting the Tribunal's time and therefore enhance the efficiency of the Tribunal in adjudicating cases. Assuming that the number of cases filed in 1999 will not be abnormally higher than the 1998 figure, the Judiciary estimates that the Tribunal, with perhaps a slightly longer waiting time but still within the timeframe of its performance pledge, should be able to handle the increase in caseload.

Waiting Time in the Small Claims Tribunal

5. The Judiciary regularly reviews the operation of the Tribunal and introduces measures to minimise court-waiting time. Such measures include temporary deployment of manpower resources to deal with any sudden surge in the number of cases filed, dedicating a court to deal with group claims and familiarising litigants with the procedure of the tribunal by distributing user-friendly information leaflets. The caseload and average waiting time in the Tribunal for the past few years is shown below -

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u> (Jan-Apr)
<u>Caseload</u>	41,936	39,196	54,613	18,130
<u>Average waiting time</u> (target = 60 days)	43	38	39	35

As these figures show, the Tribunal has so far been able to process cases within its target waiting time of 60 days.

6. We are aware that there may be extraneous factors that could increase the workload. For example, cases that flow from the District Court to the Small Claims Tribunal might be more complex. Also, there might be hidden demand arising from cases which would otherwise not be commenced if not for the lower litigation costs in the Tribunal. We will hence continue to monitor the situation after the higher jurisdictional limit comes into operation, and introduce administrative measures where possible, or seek additional resources, to ensure that the Tribunal maintains its efficiency.

District Court Jurisdictional Limit

7. We are considering higher financial jurisdictional limits for the District Court in the light of the newly proposed limit for the Small Claims Tribunal. We will revert to Members as soon as we have worked out the proposals. We remain committed to introduce the District Court (Amendment) Bill within this legislative session.

Administration Wing
Chief Secretary for Administration's Office
May 1999